

1	2	3
10:26:26	6902	345
12:32:16	6627	331
14:28:14	6095	305
14:35:14	7144	357
15:15:15 (gas)	3572	179
15:15:15	5211	261
17:17:17	5312	266
19:19:19	6925	346

### **New fertilizer projects**

†2606. SHRI RAM JETHMALANI: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that dependence on import of fertilizers would increase to meet its requirement in the country;

(b) if so, the name of the fertilizers and its quantity proposed to be imported during 2006-07 along with their quantum;

(c) the additional subsidy that would be needed on account of their import; and

(d) the number of applications pendings before Government for setting up new fertilizer projects and the date on which the last urea fertilizer production project was started in the country?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) The demand of fertilizers has shown upward trend in the country during the last two years. The production of urea in the country is around 200 lakh MT as against the assessed demand of around 240 lakh MT during the current year. Import of urea is made on Government account to bridge the gap between assessed demand and estimated production.

†Original notice of the question was received in Hindi.

Fertilizers other than Urea are imported under Open General Licence (OGL). The production of DAP is estimated at 50 lakh MT during the year 2006-07 whereas the assessed demand is 80.25 lakh MT. The balance requirement is met through imports. Government is also maintaining Buffer Stock of DAP at various locations in the country through its Buffer stocking agency to meet the sudden spurt in demand.

The Country is fully dependent on imports to meet its requirement of potash as there are no exploitable reserves of potash in the country.

(b) The details of Urea, DAP and MOP imported during the year 2005-06 and 2006-07 (up to 30.11.06) is as under:—

(Qty. in Lakh MT)

Product	2005-06	2006-07 (up to 30-11.2006)
Urea (from Sur, Oman Under Long Term Agreement)	13.25	12.14
Urea (from other sources)	07.31	18.78*
DAP	24.38	25.09
MOP	45.78	21.68

\* A total of 31.64 lakh MT (approximately) has been contracted for imports during 2006-07.

(c) The total amount of subsidy borne by the Government on imports of urea and payment of concession on decontrolled P&K fertilizers during the year 2005-06 was Rs. 1201.43 crore (net) and Rs. 2097 crore respectively. The likely requirement of funds for the year 2006-07 would be around Rs. 3700 crore (net) for import of urea and Rs. 4900 crore (including Rs. 1550 crore as carry forward liability for the year 2005-06,) for payment of concession on decontrolled imported P&K fertilizers.

(d) As per the industrial policy resolution dated 24th July, 1991, no license is normally required for setting up/expansion of fertilizer plants. Entrepreneurs are free to set up fertilizer project anywhere in the country subject to environmental clearance. However, Public Sector Undertakings/ Cooperative Societies under the administrative control of the Department of Fertilizers have to obtain approval of the Government before undertaking such capital expenditure beyond their delegated powers. Further, setting

up of new, expansion and de-bottlenecking projects of urea requires prior approval of the Department of Fertilizers which are to be based on Natural Gas (NG) and Liquefied Nature Gas (LNG) as feedstock and fuel, as per the pricing policy for investment made in new, expansion and debottlenecking project of urea notified in January, 2004. Presently, only one proposal for setting up another unit of Namrup Fertilizer Plant (Namrup IV) of M/s. Brahmputra Valley Fertilizer Corporation Ltd. is under consideration of the Government.

### **Medicines under ECA**

†2607. SHRI JAI PARKASH AGGARWAL: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether medicines have been included in the Essential Commodities (Amendment) Act, 2005;

(b) if so, the details thereof; and

(c) whether Government have made any provision in the said Act for keeping control of prices of those medicines being sold in the country which are patented by the multinational companies and are having international prices?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) and (d) Medicines are covered by the item 'Drugs' which have been included in the Schedule of the Essential Commodities (Amendment) Bill, 2006 passed in the Rajya Sabha on 29.8.2006 and Lok Sabha on 28.11.2006.

(c) No, Sir.

### **Companies violating the order on price reduction of medicines**

2608. SHRI UDAY PRATAP SINGH: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government have announced the price reduction of more than 800 medicines;

(b) if so, whether Government have made provisions for cross checks of authenticity of these reductions; and